

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Allegiance Telecom, Inc.	)	IC Nos. 01- S52091
Alliance Group Services, Inc.	)	01-S58318
AT&T Corporation	)	01-S60205
Business Discount Plan, Inc.	)	01-S61086
Global Communications	)	02-S67160
MCI, Inc.	)	02-S67654
McLeodUSA Telecom Services, Inc.	)	02-S68023
National Accounts Long Distance, Inc.	)	02-S68491
OneStar Long Distance, Inc.	)	02-S71109
Sprint Communications Company, L.P.	)	02-S73099
UKI Communications	)	02-S73337
World Communications Satellite Systems	)	02-S73363
	)	02-S73376
	)	02-S73467
Complaints Regarding	)	02-S77181
Unauthorized Change of	)	02-S77441
Subscribers' Telecommunications Carrier	)	02-S79379
	)	02-S81568

ORDER

Adopted: September 13, 2004

Released: September 14, 2004

By the Deputy Chief, Consumer Policy Division, Consumer & Governmental Affairs Bureau:

I. INTRODUCTION AND BACKGROUND

1. On July 16, 2004, the Consumer & Governmental Affairs Bureau issued a Public Notice ("July Notice") seeking additional information for certain informal slamming complaints.¹ The *July Notice* stated that any complaint listed therein for which additional information was needed may be dismissed if no additional information was received by the Commission as of August 16, 2004.² In this Order, we dismiss the informal slamming

¹ Public Notice, DA 04-2154, 69 FR 47152 (rel. July 16, 2004).

² *Id.*

complaints listed above and in the attached appendix.

2. Slamming is the submission or execution of an unauthorized change in a subscriber's selection of a provider of telephone exchange service or telephone toll service. This practice is prohibited by Section 258 of the Communications Act of 1934 (Act), as amended by the telecommunications Act of 1996 (1996 Act).³ In December 1998, the Commission released the *Section 258 Order* in which it adopted rules to implement Section 258 of the Act.⁴ In the *Section 258 Order*, the Commission adopted aggressive new rules designed to take the profit out of slamming, broadened the scope of the slamming rules to encompass all carriers, and modified its existing requirements for the authorization and verification of preferred carrier changes. The rules require, among other things, that a carrier receive individual subscriber consent before a carrier change may occur.⁵ Pursuant to Section 258, carriers are absolutely barred from changing a customer's preferred local or long distance carrier without first complying with one of the Commission's verification procedures.⁶ Specifically, a carrier must: (1) obtain the subscriber's written or electronically signed authorization in a format that meets the requirements of Section 64.1130 authorization; (2) obtain confirmation from the subscriber via a toll-free number provided exclusively for the purpose of confirming orders electronically; or (3) utilize an independent third party to verify the subscriber's order.⁷

II. DISCUSSION

3. The purpose of the slamming rules is to protect consumers and law abiding carriers from companies that engage in slamming in violation of our rules. As part of our continuing efforts to vigorously enforce these rules, we released the *July Notice* in order to obtain additional

³ 47 U.S.C. § 258(a); Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

⁴ *Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996; Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers*, CC Docket No. 94-129, Second Report and Order and Further Notice of Proposed Rule Making, 14 FCC Rcd 1508 (1998) (*Section 258 Order*), *stayed in part*, *MCI WorldCom v. FCC*, No. 99-1125 (D.C. Cir. May 18, 1999); First Order on Reconsideration, 15 FCC Rcd 8158 (2000); *stay lifted*, *MCI WorldCom v. FCC*, No. 99-1125 (D.C. Cir. June 27, 2000); Third Report and Order and Second Order on Reconsideration, 15 FCC Rcd 15996 (2000), Errata, DA No. 00-2163 (rel. Sept. 25, 2000), Erratum, DA No. 00-2192 (rel. Oct. 4, 2000), Order, FCC 01-67 (rel. Feb. 22, 2001); Third Order on Reconsideration and Second Further Notice of Proposed Rule Making, 18 FCC Rcd 5099 (2003); Order, FCC 03-116, (rel. May 23, 2003). Prior to the adoption of Section 258, the Commission had taken various steps to address the slamming problem. *See, e.g., Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers*, CC Docket No. 94-129, Report and Order, 10 FCC Rcd 9560 (1995), *stayed in part*, 11 FCC Rcd 856 (1995); *Policies and Rules Concerning Changing Long Distance Carriers*, CC Docket No. 91-64, 7 FCC Rcd 1038 (1992), *reconsideration denied*, 8 FCC Rcd 3215 (1993); Investigation of Access and Divestiture Related Tariffs, CC Docket No. 83-1145, Phase I, 101 F.C.C.2d 911, 101 F.C.C.2d 935, *reconsideration denied*, 102 F.C.C.2d 503 (1985).

⁵ *See* 47 C.F.R. § 64.1120.

⁶ 47 U.S.C. § 258(a).

⁷ *See* 47 C.F.R. § 64.1120(c). Section 64.1130 details the requirements for letter of agency form and content for written or electronically signed authorizations. 47 C.F.R. § 64.1130.

information on certain informal slamming complaints. Of the 227 complaints listed in the *July Notice*, we obtained additional information on, and have acted upon, 209. Accordingly, the 18 remaining complaints listed in the *July Notice* for which no additional information was received by the August 16, 2004 deadline are hereby dismissed. A list of the complaints dismissed herein is attached at Appendix A.

III. ORDERING CLAUSE

4. Accordingly, IT IS ORDERED that, pursuant to Section 258 of the Communications Act of 1934, as amended, 47 U.S.C. § 258, and Sections 0.141, 0.361, 1.719, and 64.1100-64.1195 of the Commission's rules, 47 C.F.R. §§ 0.141, 0.361, 1.719, 64.1100-64.1195, the complaints listed in Appendix A are DISMISSED.

FEDERAL COMMUNICATIONS COMMISSION

Nancy A. Stevenson, Deputy Chief
Consumer Policy Division
Consumer & Governmental Affairs Bureau

Appendix AInformal Complaint Numbers:

01-S52091
01-S58318
01-S60205
01-S61086
02-S67160
02-S67654
02-S68023
02-S68491
02-S71109
02-S73099
02-S73337
02-S73363
02-S73376
02-S73467
02-S77181
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